

S-E-C-R-E-T

19 August 1969

MEMORANDUM FOR RECORD

SUBJECT: Texts Relating to the Conception of National
Intelligence Estimates and How They Should be
Produced.

Attached is a compilation of historical texts relating
the subject. Having been put to some trouble to collect these
texts from many scattered sources, I think it worthwhile to
record them in one document. I have added comment on particular
texts, and in general at the end of the series.

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Board of National Estimates

S-E-C-R-E-T

GROUP 1
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HS/HC-893

S-E-C-R-E-T

TEXTS RELATING TO THE PRODUCTION OF NATIONAL INTELLIGENCE ESTIMATES

1. Brig. Gen. John Magruder, Deputy Director, OSS, to Col. C. R. Peck, Executive Secretary, JCS, 30 July 1943.

A vicious circle has thus been created from which there is no escape unless, first, the functions of each service are clearly defined, and second, a centralized joint agency is established with authority to control and coordinate all intelligence services and to create a joint operating agency competent to analyze, synthesize, and integrate intelligence material from all sources.

2. Maj. Gen. William J. Donovan, Director, OSS, to the President, 18 November 1944.

The Central Intelligence Service shall perform the ... final evaluation, synthesis, and dissemination within the Government of the intelligence required to enable the Government to determine policies with respect to national planning and security in peace and war, and the advancement of broad national policy.

3. Donovan to the President, 26 December 1944.

The end product of intelligence activity must be a complete synthesized estimate upon which policy with respect to the national security can safely be based.

4. JIC 239/5, 1 January 1945

The Central Intelligence Agency shall accomplish the synthesis of departmental intelligence relating to the national security and the appropriate dissemination within the Government of the resulting strategic and national policy intelligence.

S-E-C-R-E-T

S-E-C-R-E-T

(JIC 239/5 was the compromise reached in the JIC after a six-weeks deadlock over Donovan's proposal to the President. The controversy, however, was over control of the prospective CIA, not over its functions. This text, which I drafted, was intended only to be a briefer expression of item 2. -- Ludwell Montague)

5. William H. Jackson to the Director, OSS, July 1945.

The best intelligence opinion in England is thus obtained from the heads of all important intelligence agencies having an interest in the subject. This opinion, drafted in the first instance by the JIC staff, itself representative of various intelligence services and agencies, is based on all information available in London in any military or civil agency or department. A JIC appreciation is important, then, because it expresses an agreed view of the most responsible intelligence experts based on all available information. Against this obvious advantage, there may be a lesser disadvantage.... The result sometimes appears to be a compromise which represents no one's view, least of all that of the intelligence agency which should know most about the subject....

6. Ferdinand Eberstadt to the Secretary of the Navy (Forrestal), 22 October 1945.

The collection of information can and should be made through the military services and other departments and agencies of the government.... All information so collected should be available to the Central Intelligence Agency. Its compilation, analysis, evaluation, and dissemination, however, particularly as relating to matters of national security, should be coordinated by the Central Intelligence Agency.

7. The President's Letter to the Secretaries of State, War, and Navy, 22 January 1946.

The Director of Central Intelligence shall accomplish the correlation and evaluation of intelligence relating to the national security, and the appropriate dissemination within

- 2 -

S-E-C-R-E-T

S-E-C-R-E-T

the Government of the resulting strategic and national policy intelligence. In so doing, full use shall be made of the staff and facilities of your Departments.

(Admiral Souers, who drafted this text for President Truman, told me that "correlation and evaluation" was substituted for "synthesis" without intent to alter the meaning of JIC 239/5 (item 4 above). The President did not understand the word "synthesis" and thought it to have a derogatory connotation, as in "synthetic". -- Ludwell Montague)

8. Ludwell Montague to the Assistant Director, Research and Evaluation, 29 January 1947. (This text is included as an elaboration of the original intention inadequately expressed in items 4 and 7. It should be added that the original conception included a preliminary coordination with IAC representatives at the ORE level and final coordination at an IAC meeting, with power of decision vested in the DCI, the purpose of the meeting being final determination of concurrence or dissent. -- L.M.)

The true primary mission of ORE is clear in the light of the President's Letter and of NIA Directives No. 1 and No. 2. It is to produce strategic and national policy intelligence through the correlation, evaluation, and final synthesis of all intelligence information and finished intelligence available in the State, War, and Navy Departments and other Federal agencies. By "strategic and national policy intelligence" should be understood that intelligence required at the highest policy making and planning level as a basis for the determination of national policy and strategy in the broadest sense. It relates to those issues which are of collective concern to the State, War, and Navy Departments, or, conversely, which are not the exclusive concern of any of them. In this concept ORE has no occasion to duplicate or compete with departmental intelligence agencies -- rather it is charged to make full use of them and of their product -- but ORE does have the function of final evaluation and final synthesis. The departmental agencies are tributary to it. Its own contribution is the added value provided by authoritative final interpretation and synthesis for the benefit, primarily, of the high authorities

S-E-C-R-E-T

whom it serves, and, incidentally, of the contributing agencies. It must be supported and manned in such a way as to assure that it does speak with recognized authority.

9. Ludwell Montague to the Assistant Director, Reports and Estimates, 17 July 1947. (I include this text because I believe it to have been the inspiration for item 11, which in turn appears to have been the earliest conception of a Board of National Estimates. The Global Survey Group was a component of ORE and could not escape from that stultifying context. -- L.M.)

The essence of this concept is that the Global Survey Group should be composed of a few carefully selected men of broad intelligence experience (rather than particular specialization) and of proved insight, who, being freed of operational responsibilities, have the freedom (inevitably denied to all chiefs of operational units) to ponder the broader aspects and less obvious implications of the developing international situation, to consult the most expert opinion with respect to trends thus perceived, to effect the ultimate correlation and synthesis, and to give the appropriate guidance to the staffs and branches concerned.

10. The National Security Act of 1947, 26 July 1947 (cf. items 4 and 7).

It shall be the duty of the Agency... to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence using where appropriate existing agencies and facilities.

(This text is a classic example of how literal meaning is changed by comma errors to something unintended.)

S-E-C-R-E-T

11. The Eberstadt Report, 15 November 1948 -- i.e., the Report of the Committee on National Security Organization ("the Eberstadt Committee") to the Commission on Organization of the Executive Branch of the Government ("the Hoover Commission").

The greatest need in CIA is the establishment at a high level of a small group of highly capable people, freed from administrative detail, to concentrate upon intelligence evaluation. The Director and his assistants have had to devote so large a portion of their time to administration that they have been unable to give sufficient time to analysis and evaluation. A small group of mature men of the highest talents, having full access to all information, might well be released completely from routine and set to thinking about intelligence only. Many of the greatest failures in intelligence have not been failures in collection, but failures in analysing and evaluating correctly the information available.

(Cf. items 9 above and 12 below. I believe this to have been the original conception of the Board of National Estimates. -- L.M.)

12. The Dulles - Jackson - Correa Report to the NSC, 1 January 1949

There should be created in the Central Intelligence Agency a small Estimates Division which would draw upon and review the specialized intelligence product of the departmental agencies in order to prepare coordinated national intelligence estimates. Under the leadership of the Director of Central Intelligence, these estimates should be submitted for discussion and approval by the reconstituted Intelligence Advisory Committee whose members should assume collective responsibility for them.

(This text picks up the Eberstadt Report's "small group" in CIA, but the supporting discussion shows that the basic conception was derived from W. H. Jackson's admiring report in 1945 on the British JIC -- item 5 above. Entirely missing

- 5 -

S-E-C-R-E-T

S-E-C-R-E-T

is the idea of independent, authoritative evaluation, which Eberstadt's report shows that he understood. Instead, the emphasis is on coordination and "collective responsibility". In 1949 the quoted words stood for the idea that the IAC was advisory to the NSC rather than to the DCI, and that in it the DCI was only one among equals. -- L.M.)

13. Ludwell Montague to the Assistant Director, R&E, 11 February 1949 (with reference to item 12).

This is the method of final coordination originally intended (until June 1946) and, effectively implemented with proper understanding and procedural safeguards, would be a much more efficient method than that now in force. An important reservation must be noted, however. Those who developed the original concept of CIA (including this method of coordination)

25X1

CIA's estimates unit was intended expressly to overcome both these things by producing authoritative final estimates with full cognizance of departmental views, but without subservience to departmental prejudices. IAC review was expected to eliminate apparent differences susceptible to adjustment through discussion, but not to gloss over real divergences of informed opinion. The resultant estimate would still be essentially that of CIA, with notations of concurrence or dissent, the latter being limited to real, substantial, and well defined issues. The Report conveys no assurance that this vital aspect of the matter is truly understood. It contains one incidental reference to the function of the Estimates Division in countering departmental bias, but many passages which suggest that to the authors "national" intelligence is merely "coordinated" intelligence and coordinated intelligence merely joint intelligence.

14. NSC 50, 1 July 1949. (NSC 50 consisted of the comments and recommendations of the Secretaries of State and Defense with regard to the recommendations of the Dulles Report. The recommendations of the Secretaries were substantially adopted by the NSC.)

S-E-C-R-E-T

S-E-C-R-E-T

We do not believe that the Director and the IAC should be bound by the concept of collective responsibility, because this would inevitably reduce coordinated national intelligence to the lowest common denominator among the agencies concerned. A procedure should be adopted which would permit the Director and the IAC to fulfill their respective responsibilities to the President and the NSC regardless of unanimous agreement, but providing for concurrent submissions of dissent. The CIA, however, should... refrain as far as possible from competitive activities in the production of research intelligence estimates.

[We concur in the recommendation that] out of the present Office of Reports and Estimates there should be created (a) a small estimates division which would draw upon and review the specialized intelligence product of the departmental agencies in order to prepare coordinated national intelligence estimates and (b) a research and reports division to accomplish central research in, and coordinated production of, intelligence in recognized fields of common interest.

(In adopting NSC 50, the National Security Council made it reasonably clear that it intended the DCI, with the aid of a small estimates staff devoted solely to that purpose, to base national intelligence estimates on the findings of departmental intelligence research (in order to avoid duplication of research effort), but to exercise independent judgment in reviewing and evaluating departmental contributions. By contumaceously evading the NSC's injunction to establish such an estimates office, CIA provoked the cataclysm of October 1950 in which the DCI's independence of judgment again narrowly escaped subordination to a joint committee system. -- L.M.)

15. National Security Council Directive No. 1, as revised
19 January 1950.

The Director of Central Intelligence shall produce intelligence relating to the national security, hereafter referred to as national intelligence. In so far as practicable, he shall not duplicate the intelligence activities and research

S-E-C-R-E-T

S-E-C-R-E-T

of the various Departments and Agencies but shall make use of existing intelligence facilities and shall utilize departmental intelligence for such production purposes.

(This text, produced by an IAC subcommittee, is preoccupied with making the DCI dependent on departmental contributions. His independence of judgment finds no expression except by implication in his individual responsibility to "produce" national intelligence. This passage in the NSCID was not altered during General Smith's tenure as DCI. -- L.M.)

16. Notes dictated by William H. Jackson (DDCI - designate) in September 1950.

The Act apparently gives the Central Intelligence Agency the independent right of producing national intelligence. As a practical matter, such estimates can be written only with the collaboration of experts in many fields of intelligence and with the cooperation of several departments and agencies of the Government.... An intelligence estimate of such scope would go beyond the competence of any single Department or Agency.... The estimate should be compiled and assembled centrally by an agency whose objectivity and disinterestedness are not open to question. Its ultimate approval should rest upon the collective responsibility of the highest officials in the various intelligence agencies.



he was unaware that the NSC had ruled against the doctrine of "collective responsibility" when it approved NSC 50 -- see item 14. On 16 October 1950, however, when he presented these notes to the DCI, Jackson acknowledged that his use of the term "collective responsibility" was a mistake. He or Smith substituted "collective judgment" for it. This change certainly resulted from an oral remonstrance by the General Counsel, Lawrence Houston. It may also have been influenced by the document which follows. -- L.M.)

S-E-C-R-E-T

S-E-C-R-E-T

17. Ludwell Montague to the DDCI, 10 October 1950 (in response to his request for a plan for an Office of Estimates).

This plan is based on the concepts held in 1945-1946 and more recently set forth in the Dulles Report, NSC 50, and the "Webb Proposals". One point must be made absolutely clear, however, in order to avoid the patent defects of a joint committee system. It must be understood by all concerned that the Director at his level and the Assistant Director at his, having heard all the pertinent evidence and argument, have a power of decision with respect to the form and content of the estimate, other interested parties retaining the right to record divergent views when these relate to substantial issues and serve to increase the reader's comprehension of the problem, and then only.

The plan also presupposes:

- a. The establishment of a Research Office in CIA to provide intelligence research reports in fields of common concern (e.g., scientific, economic, geographic).
- b. Action to make sure of the availability of research support from the departmental agencies adequate to meet the requirements of the Estimates Office as to both timeliness and content. This condition cannot be met at present.
- c. The recruitment of requisite senior personnel as rapidly as possible. The contemplated Office cannot be adequately manned with personnel now in CIA.
- d. Thorough indoctrination of the IAC agencies in the new, cooperative concept, and a new start in relations with them.... This plan will not work except on a basis of mutual confidence and cooperation in the national interest.

- 9 -

S-E-C-R-E-T

S-E-C-R-E-T

18. IAC Minutes, 20 October 1950 (IAC-M-1).

(General Smith read the full text of Mr. Jackson's notes on "The Responsibility of the Central Intelligence Agency for National Intelligence Estimates", from which item 15 is excerpted, with the substitution of "collective judgment" for "collective responsibility", leaving it ambiguous whether "ultimate approval" was a function of the DCI or of the IAC.)

There was general assent at the meeting to [this] statement of the responsibility of the Central Intelligence Agency for national intelligence estimates. General Smith stated that, in order to discharge this responsibility, he proposed at the earliest possible time to set up in the Central Intelligence Agency an Office of National Estimates. This division, in his opinion, would become the heart of the Central Intelligence Agency and of the national intelligence machinery.

19. ONE Draft for the DCI's Report to the NSC on the Implementation of NSC 50, 11 February 1952.

The basic concept of ONE is that it has but one mission: to produce NIE's in close collaboration with the IAC agencies.... In the discharge of its mission ONE considers itself an integral part of a joint production mechanism, of which it serves as coordinator. [Wow! Who said joint?]

The production of national estimates through the collaboration of numerous IAC agencies and CIA offices has entailed the development of a complex, at times cumbersome, estimates machinery. The role of ONE and the Board of National Estimates vis-a-vis that of the other agencies and offices in this machinery is still in the course of evolution. Over the past year, however, an effective working relationship has been achieved.

The new system has resulted in genuine cooperation among the IAC agencies, which have devoted more of their resources to national estimates and have taken their production far more seriously than was the case with the estimates made by ORE. However, the price which has been paid for this close cooperation is the almost inevitable difficulty of producing estimates by the committee method.

- 10 -

S-E-C-R-E-T

S-E-C-R-E-T

While in the vast majority of cases disagreements have been successfully ironed out..., there has been an occasional tendency to dilute or water down the estimates in an effort to reach agreement where serious conflicts were involved.

The dissociation of ONE from all other intelligence functions has permitted undivided attention to estimates production and has resulted in better estimates being produced. Yet this separation of ONE from all but the estimating function also inevitably tends to separate it from the unfinished intelligence on which its estimates are based. Despite its efforts to brief itself independently and to check on agency contributions, ONE itself must largely depend upon the quality of the contributions it receives.

20. Report of the DCI to the NSC on the Implementation of NSC 50, 23 April 1952.

Specifically, there has been established an Office of National Estimates to produce intelligence estimates of national concern.... In its operations this Office utilizes the resources of the total United States intelligence community.... As far as our intelligence production is concerned, the Central Intelligence Agency is basically an assembly plant for information produced by collaborating organizations of the Government, and its final product is necessarily dependent upon the quality of the contributions of these collaborating organizations.

- 11 -

S-E-C-R-E-T

S-E-C-R-E-T

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Comment from the Point of View of 1969

The language of items 15-16 and 18-20 above tends to obscure the DCI's personal responsibility for the judgments contained in national intelligence estimates and to suggest instead a joint intelligence system based on "collective responsibility". There is evidence additional to that in item 19 that even in ONE there was, on that account, considerable misunderstanding of General Smith's position.

In the circumstances of the time, General Smith deliberately refrained from emphasizing his statutory responsibility and consequent authority. That would only have prolonged the deadlock that had frustrated Admiral Hillenkoetter; Smith had been called to break that up. Instead, he engaged in a remarkable public relations effort to enlist the willing cooperation of the members of the IAC by giving them a sense of effective participation in the production of national intelligence estimates. But General Smith had no intention of compromising the personal authority of the DCI. I remember vividly one meeting of the IAC (11 November 1950) at which General Smith was again laying the butter on very thick -- a very remarkable performance for a man with his reputation as a holy terror. One member of the IAC was so carried away by his enthusiasm as to use the words "Board of Directors", an expression which in those days stood for the doctrine of collective responsibility. Without noticing directly, and without raising his voice, General Smith continued talking, only now he was talking about the statutory responsibilities of the DCI. General Smith did not have to speak on that subject more than once.

This incident does not appear in the IAC Minutes, of course, but the Secretary (James Q. Reber) did record it in a Memorandum for Record as follows:

At the conclusion of the IAC Meeting on 11 November, General Smith stated that he had changed his concept on these meetings since

S-E-C-R-E-T

his arrival in Washington. In his opinion the term "Intelligence Advisory Committee" was a complete misnomer. He felt that this committee was now the Joint Intelligence Board of the United States government. He said that this new concept would place increasingly larger demands upon the chiefs of the agencies, but by their working harmoniously around the table they were raising the value of the intelligence product. /Here came the interrupting reference to a "Board of Directors"-- L.M./ He did say, however, that there was one important difference between this Board of Directors concept and that of the Board of Directors of a civilian concern. In a civilian concern the officers of the company were bound by the decisions of the Board in accordance with his own judgment.* The responsibility for National Intelligence Estimates has been delegated to the DCI regardless of the desires of the IAC members to share this responsibility.

General Smith was able to ingratiate the IAC without losing control of the situation (as had happened to Hillenkoetter when he tried the same approach) because of the strength of his position: his superior rank, his personal prestige, the force of his personality, and the knowledge that he could count on the strong support of the President and the NSC. No member of the IAC dared to challenge him as they had challenged Hillenkoetter. They were glad to accept the consideration that he offered them, and to retreat over the golden bridge that he had built for them.

Thus the actual situation in General Smith's day was quite different from that suggested by the texts quoted -- items 18-20.

No official text sets forth the doctrine of the DCI's personal responsibility and consequent authority as clearly as does item 17 above, but it is adequately implicit in the current NSCID No. 1, dated 4 March 1964, which reads:

National intelligence is that intelligence which is required for the formulation of

* Reber's notes must have been a hasty scrawl. The phrase "in accordance with his own judgment" is obviously out of place. It belongs in the last sentence, after "DCI".

S-E-C-R-E-T

national security policy, concerns more than one department or agency, and transcends the exclusive competence of a single department or agency. The Director of Central Intelligence shall produce national intelligence with the support of the U.S. Intelligence Board. Intelligence so produced shall have the concurrence, as appropriate, of the members of the U.S. Intelligence Board or shall carry a statement of any substantially differing opinion of such a member or of the Intelligence Chief of a Military Department.

The most striking difference between the situation in 1952 and that in 1969 is that ONE, with the support of OSR, OER, OCI, OSI, and FMSAC, is no longer dependent on departmental contributions, as it was in 1952. That difference is the result of a gradual, almost imperceptible, evolution over a period of 17 years during which experience proved that departmental contributions were neither adequate nor reliable, and that independent research capabilities within CIA were imperatively necessary to supplement and check on them, and to stimulate departmental research by breaking new ground. (Cf. item 15 above.)

One cannot foresee how far this evolution may go. General Vandenberg conceived of an omniscient central office of research and evaluation that would render redundant the departmental intelligence agencies -- and thereby he set the woods on fire. ORE, his creation, failed for want of professional competence as well as because of the inevitable hostility of the IAC agencies. Today the general professional superiority of the CIA research offices and the ONE staff over their counter-parts in the departmental agencies is obvious. Every authority wants its own intelligence agency, however, and it is not to be expected that the departmental agencies will just disappear.

Since 1950 national intelligence estimates have been valued for two qualities that are complementary rather than mutually exclusive, although they were conceived to be in opposition until General Smith combined them. One is the exercise of responsible, independent, disinterested judgment by a Board of National Estimates in the evaluation and synthesis of departmental and other contributions. The other is the fact of coordination: the assurance that

S-E-C-R-E-T

all points of view have been seriously considered and that every relevant intelligence authority in the Government has been required either to concur in the DCI's estimate as written or else to dissent in context. In our enthusiasm for the first of these qualities, gratifying to ourselves, we should not forget the second.

The highest service that a member of the Board of National Estimates is called upon to perform is to decide whether a disputed issue can and should be resolved (or evaded), or whether it is of such important significance that it should be clarified by inviting a dissent. Acting, not for himself, but for the DCI, pending the DCI's own consideration of the problem, he must take into account both of the values set forth in the preceding paragraph. There is no simple rule or presumption that supplies an easy determination. That requires the exercise of informed and responsible judgment. -- Ludwell Montague.

- 15 -

S-E-C-R-E-T

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ABSTRACT
 A compilation of historical texts relating to the conception of National Intelligence Estimates and how they should be produced. Also includes comments on particular texts and the text in general at the end of the series. Texts date from 1943-1952.

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